

City of Falls Church Commercial Property Rehabilitation Tax Abatement Program

Requirements:

- Building must be at least 20 years old.
- Improvements must be made to commercial structures on commercially zoned property.
- Improvements must increase the improvement assessed value by at least 150%, i.e., at least 50% more than the current improvement assessed value, and cannot increase square footage by more than 100%. This increased in assessed value must be a result of physical changes and not a result of the state of the economy.
- Improvements must be the result of a single project. Building permits must be issued within a 60-day period from the time of the acceptance into the rehabilitation tax abatement program and completed within 2 years from the date that the initial construction permit was issued.
- Does not apply to new structures built on vacant land.
- Separate applications must be submitted for each structure.
- Appropriate building permits must be acquired before filing application.
- City Assessor must inspect the structure 3 different times: 1) upon receipt of application 2) immediately prior to commencement of proposed rehabilitation, and 3) upon completion of project. A written request must be submitted to assessor for final inspection.
- \$50.00 fee made payable to the City of Falls Church, accompanying the application.

Amount:

The abatement is a credit against real estate taxes and will be the difference between real estate taxes based on the old improvement assessment and the new improvement assessment. This is a set amount and will not increase even if the assessment value of the property increases.

Duration:

Abatement will be for a period of 5 years and will start on January 1st of the year following the completion of the project. If an application is received, for example, on January 15, then the applicant must wait until the next calendar year.

Example: A property assessed at \$1,000,000 with \$600,000 on the land and \$400,000 on the improvements upon application to the program. It must have the assessed value of at least \$1,401,000 with \$600,000 on the land and \$801,000 on the improvements after improvements have been completed within the 2-year period. The abatement would then be in the amount of \$401,000 X tax rate, for a period of 5 years. The amount stays constant regardless of the assessment for the 5-year period.

The City of Falls Church does not discriminate on the basis of disability in its employment practices or in the admission to, access to, or operations of its services, programs, or activities. Letha Flippin, 300 Park Avenue, Falls Church, Virginia 22046 has been designated to coordinate compliance with the ADA non-discrimination requirement.



City of Falls Church, Virginia
Application for Tax Exemption for Rehabilitated Real Estate

Owner(s) of Record

Location of Property

Date Structure Built (must be no less than 20 years of age)

Use of Structure

Description of Work to be Done

I certify that the statements contained in this application are, to the best of my knowledge, both correct and true. Given under my hand this _____ day of _____, 20 ____.

Signature

Owner or Agent

Print Name

Mailing Address

Telephone Number _____

Other contact information (cell phone, e-mail)

This application must be completed and submitted to the City Assessor with a fee of Fifty Dollars (\$50.00). No property shall be eligible for said exemption unless the appropriate building permits have been acquired and verified by the Building Official, and the City Assessor has inspected and valued the structure (base) upon receipt of the application and before the rehabilitation has started.

**** ***DO NOT WRITE BELOW THIS LINE (OFFICIAL USE ONLY)*** ****

Application Number _____

RPC Number _____

Building Permit Number _____

Cost Per Building Permit \$ _____

Building Permit Date _____
(month/date/year)

From Worksheet: Base Value \$ _____

Completed Value \$ _____

Approved/Denied _____

Amount of Exemption Approved \$ _____

***** **FEE** *****

Make check payable to: City of Falls Church

Fee: \$50.00

Account Number _____

Date Received _____

Invoice # _____

Receipt # _____